



HOUSING COMMISSION MEETING MINUTES

Wednesday, March 2, 2011 at 5:30 p.m.
701 Laurel Street, Menlo Park, CA 94025
Administrative Building Conference Room, First Floor

Chair Boyle called the meeting to order at 5:30 p.m. in the Administrative Building Conference Room.

ROLL CALL –

Commissioners Present: John Bautista, Patricia Boyle (Chair), Sally Cadigan, Carolyn Clarke, Anne Moser, Yvonne Murray (Vice-Chair, arrived at 6:00 p.m.), Brigid Van Randall.

Commissioners Absent: None.

Staff Present: Douglas Frederick, Housing Manager; Megan Nee, Management Analyst.

A. PUBLIC COMMENT #1 - None

B. REGULAR BUSINESS

1. Consideration of the BMR Program Developer Requirements

Housing Manager Frederick explained that, although updates/changes to the BMR Guidelines were approved by City Council in March 2010, current consideration of possible changes to the BMR Program's developer requirements is in response to the recent situation with the Beltramo's and their inability to fulfill their previously agreed upon BMR contribution. Housing Manager Frederick explained that, in particular, City Council Member Peter Ohtaki wonders if the City asks too much, making it difficult for developers to meet their BMR contribution requirements.

Management Analyst Nee distributed the results of a survey she recently conducted, which identifies the developer requirements of other city BMR/inclusionary programs in San Mateo and Santa Clara Counties (and one city program in Alameda County). The following programs/cities are represented in the survey: San Carlos, San Mateo, Palo Alto, Mountain View, Sunnyvale, Los Gatos, and Pleasanton. The survey asks the programs/cities if they have the same requirements as Menlo Park; specifically, do they require BMR/inclusionary units to:

- (1) Have the same number of bedrooms as market rate units?
- (2) Have the same square footage as market rate units?
- (3) Be distributed throughout the development?
- (4) Be indistinguishable from the exterior?

The survey also asks if alternatives or exceptions to these requirements (if any) are allowed. Management Analyst Nee explained the survey reveals that, for the most part, the other programs/cities have the same or similar developer requirements as Menlo

Park. She noted some of the cities surveyed have varying levels of flexibility built into their developer requirements; for instance San Carlos and San Mateo have size (number of bedrooms, square footage) requirements similar to Menlo Park's but their guidelines/ordinances contain language identifying several specific conditions that warrant flexibility and alternative approaches to these requirements. Management Analyst Nee pointed out that of all the programs/cities surveyed, Pleasanton is the only one that allows BMR units to be smaller in size (than market rate units) on an unconditional basis. Pleasanton also appears the most flexible overall in its developer requirements; however, the other cities surveyed have requirements consistent with Menlo Park and with each other.

After a brief discussion, the Commission agreed that the City of Menlo Park's BMR Program developer requirements are in-line with those of other city BMR programs and that Menlo Park's program and its review process provide developers with flexibility and opportunities to develop alternatives.

Public Comment: Menlo Park resident James Salsman spoke against the City's BMR Housing Program. He said that when cities build BMR housing it hurts market rate homeowners. He said the City should instead use its affordable housing funds to provide direct assistance to struggling homeowners, such as those struggling with foreclosure. The City should also use its affordable housing funds to help build homeless shelters, he suggested.

M/S Moser/Cadigan to recommend that the City continue the BMR Program developer requirements as currently stated, based on the Housing Commission's findings that the City's policies are in-line with other comparable municipalities in the region, and also that the City explore the possibility of allowing rental on-site BMR units in residential ownership developments; 6-0-0.

2. Approval of January 5, 2011 Minutes

M/S Moser/Van Randall to approve the minutes as presented; 6-0-0.

C. REPORTS AND ANNOUNCEMENTS

1. Update on Housing Activity (Report from Staff)

Housing Manager Frederick reported that the seventh BMR home at Morgan Lane is in contract and expected to close sale sometime this April. The eighth and final BMR home at Morgan Lane is being constructed and staff has selected an eligible applicant household from the BMR Waiting List to pursue financing to purchase the home. The eighth BMR home should be ready to move into by late June of this year.

Housing Manager Frederick also reported that City Council Member Fergusson has been talking to people in the Belle Haven neighborhood about what to do with the Terminal Avenue and Hamilton Avenue sites. In response, many Belle Haven residents have expressed interest in expanding Beechwood School.

In addition, City management staff has been talking to a couple of developers about potential development opportunities with Stanford and Google along El Camino Real. These have been very early, “big picture” discussions that have touched on topics such as density and affordability. The properties where this development could potentially take place have leases on them for two more years. In response to a question from Chair Boyle, Housing Manager Frederick said Google’s interest in such development has to do with tax credits.

Public Comment: Menlo Park resident James Salsman spoke in reference to the upcoming public design charrette for Belle Haven and Facebook. He said he would like Facebook to invest in the Belle Haven community by providing direct assistance to struggling homeowners and building a homeless shelter. He said he plans to participate in the charette this weekend.

2. Monthly Report on Housing Rehabilitation Loan Program for December 2010 and January 2011

Housing Manager Frederick reported that two projects have been completed (from the FY 2009/2010 budget). Two projects have been funded and are currently under construction. In addition, some other projects have been approved by the Loan Committee but are not yet funded. Several other projects are in the pipeline. He said the program will be funded next fiscal year through the newly formed Housing Authority.

3. Report from the Chair

Chair Boyle reported that she and Commissioner Moser attended this week’s Planning Commission meeting regarding a parcel on El Camino Real. One of the Planning Commissioners suggested the possibility of putting a senior housing project there however, Commissioner Boyle was uncertain how the developer feels about this idea. She reported that a task force will be formed to look at possible development options for the site. Community members continued to express some objections but didn’t seem as vociferous as they had been at previous public/community meetings. The developer’s current proposal includes three (3) low-income BMR units.

4. Commission Member Reports

Commissioner Moser attended a meeting in January and distributed a hand-out from the meeting entitled Maintaining the Health of an Aging San Mateo County. Vice-Chair Murray reported on her recent trip to the New Orleans area, in which she helped rebuild homes as part of the post-Katrina work effort. Commissioner Clarke reported on a housing assistance program in Ventura County that she discovered while conducting some research of her own. The program, funded by Ventura County, provides temporary rental assistance to low-income renters while they wait to receive Section 8 housing assistance. She also reported that the State of Connecticut, in partnership with local banks, has a program that provides new home loan financing to Connecticut homeowners struggling with foreclosure. Commissioner Cadigan reported that the decision has been made to close the homeless/emergency housing shelter on the Menlo Park V.A. grounds. She said Shelter Network has a new director so maybe he/she can help.

Commissioner Moser requested clarification on the newly formed Menlo Park Housing Authority. Housing Manager Frederick responded that there is no change – it is a change in name only. Chair Boyle suggested that Commissioner Clarke should come back to the Commission with more information and/or a presentation on programs that provide temporary rental assistance to low-income renters.

D. INFORMATION ITEMS

1. Belle Haven Design Charrette

Housing Manager Frederick provided information on the public design charrette for Belle Haven and Facebook to be held this coming Saturday, March 5th from 8:30 a.m. to 8:00 p.m. at Facebook's new offices in Menlo Park (Sun Microsystem's old building east of Highway 101). He said Facebook can have a tremendous impact on the Belle Haven area. The company would like certain things in the community for their employees. The design charrette will look at things to be done in the following three areas: the Facebook campus itself, the Belle Haven neighborhood, and the industrial area across Willow Road from Belle Haven. The charrette will explore ideas for things that Facebook and the community may like for these three areas.

E. PUBLIC COMMENT #2 – None.

F. ADJOURNMENT – 6:35 p.m.

Minutes submitted by: Megan Nee, Management Analyst